ملخص الاسبوع الرابع اولي لغات + الماضرات + المطلوب

اولاً الملخص

خلصت شابتر 2 : BA

رجعت علي شابتر 2 وخلصته والمحاضره القادمة هتعلم علي المهم : iT

خلص شابتر 5 : Accounting

خلص لحد شابتر 4 : OB

خلصت لحد صفحه 164 :Evolution and resources

Subject: Date:

Problem 5, Page 31. "Multiple step income statement"

Sales Revenue	370,000	
(-) Sales Return and allowance	(13,000)	
(-) Sales discount	(8,000)	
"Net Sales Revenue"		349,000
(-) Cost of goods sold		212,000
"Gross Profit" step 1		137,000
(-) operating expense:		
Freight out	7,000	
insurance expense	12,000	
Salary expense	58,000	
Rent expense	32,000	
"Total operating expense"		(109,000)
"Net income" → step 2		28,000

* Gross Profit Rate = $\frac{\text{Gross Profit}}{\text{Net Sales Revenue}} \times 100$

Gross Profit Rate = $\frac{137,000}{349,000}$ ~~×~~ = 39%

ELRIDA

Subject: Date:

*Equations:

1- Net sales Revenue =
Sales Revenue - [Sales Return and allowance + cash discount]
2- Cost of goods sold =
[Beginning inventory + Net Purchase] - ending inventory
3- Beginning inventory =
[Cost of goods sold + ending inventory] - Net Purchase
4- Net Purchase =
[Purchase Price + freight In Cost] - [Purchase Return and allowance + Purchase cash discount]
5- Gross Profit = Net sales - Cost of goods sold
6- Net income = Gross Profit - operating expense
7- operating expense = Gross Profit - Net income
8- Gross Profit = Net income + operating expense
9- Gross Profit Rate = $\frac{\text{Gross Profit}}{\text{Net Sales Revenue}}$
10- Ending inventory =
[Beginning inventory + Net Purchase] - Cost of goods sold
11- Cost of goods avaliable for sale =
Beginning inventory + Net Purchase
12- Cost of goods sold =
Cost of goods avaliable for sale - ending inventory
13- Cost of goods sold = Net sales Revenue + gross Profit
14- Cost of goods sold =
Net income + operating expense + Gross Profit

ELRIDA

Subject: ACC 7 Date:

Problem 3 Page 31 "using Periodic system"

Date	explanation	Dr	Cr
7,8	Accounts Receivable	3,000	
	Sales Revenue		3,000
	Sales merchandise "N/30, FOB Shipping point to "KS"		
8,8	Purchases , Purchase Account	6,000	
	Accounts Payable		6,000
	Purchase Merchandise from "NK" "N/30, FOB Ship Point"		
9,8	Freight In , Transportation In	254	
	Cash		254
	Paid "NK" Company for shipping charges on merchandise		
10,8	Purchases	9,000	
	Freight In	600	
	Accounts Payable		9,600
	Purchase merchandise including freight costs from "MR"		
14,8	Accounts Receivable	2,400	
	Sales Revenue		2,400
	Sold merchandise on credit to "RM" "N/30, FOB Shipping Point"		
14,8	Accounts Payable	600	
	Purchase Return and allowance		600
	Return merchandise inventory to "NK"		

Subject: Date:

Date	Explanation	Dr	Cr
17,8	Cash	3,000	
	Accounts Receivable		3,000
	collection from "ks"		
19,8	Cash	1,800	
	sales Revenue		1,800
	sold merchandise for cash		
20,8	Accounts Payable	9,600	
	cash		9,600
	Payment To "MR"		
21,8	Accounts Payable "6000-600"	5,400	
	Cash		5,400
	Payment To "NK"		
24,8	sales Return and allowance	200	
	Accounts Receivable		200
	Accepted a return of merchandise from "RM"		

ELRIDA

Subject: Date:

Problem 6 Page 31:

1- Net Sales Revenue = 800,000 - [10,000 + 5,000] = 785,000
2- Net Purchase = [500,000 + 4,000] - [2,000 + 6,000] = 496,000
3- Cost of goods sold = [50,000 + 496,000] - 60,000 = 486,000
4- Gross Profit = 785,000 - 486,000 = 299,000
5- operating expense = 299,000 - 130,000 = 169,000
6- Cost of goods avaliable for sale = 50,000 + 496,000 = 546,000

ELRIDA

2. *Availability of substitutes:*

Demand for a commodity with large number of substitutes will be more elastic. Thus, availability of close substitutes makes the demand sensitive to change in the prices. On the other hand, commodities with few or no substitutes like wheat and salt have less price elasticity of demand.

3. *Income Level:*

Elasticity of demand for any commodity is generally less for higher income level groups in comparison to people with low incomes. It happens because rich people are not influenced much by changes in the price of goods. But, poor people are highly affected by increase or decrease in the price of goods. As a result, demand for lower income group is highly elastic.

4. *Level of price:*

Level of price also affects the price elasticity of demand. Costly goods like laptop, Plasma TV, etc. have highly elastic demand as their demand is very sensitive to changes in their prices. However, demand for inexpensive goods like needle, match box, etc. is inelastic as change in prices of such goods do not change their demand by a considerable amount.

5. *Postponement of Consumption:*

Commodities like biscuits, soft drinks, etc. whose demand is not urgent, have highly elastic demand as their consumption can be postponed in case of an increase in their prices. However, commodities with urgent demand like life

+ 100 ÷ 25 = (+) 4.0

The *positive sign* means that the good is a *normal good*, and because the coefficient is greater than one, demand for the good responds more than proportionately to a change in income. This indicates the good is not a necessity like food, and would be considered a relative luxury for this individual.

➔ Inferior goods

When YED is *negative*, the good is classified as *inferior*. For example, if, following an increase in income from £40,000 to £50,000, a consumer buys 180 loaves of bread per year instead of 200, then the YED is:

- 10 ÷ 25 = (-) 0.4

The negative sign means that the good is inferior, and, because the coefficient is less than one, demand for the good does not respond significantly to a change in income. This indicates that the good is not particularly inferior compared with a good which has a YED of > (-)1.

The *sign* and the *number* provide different information about the relationship between income and demand. Income elasticity of demand can also be illustrated by Engel curves.(2)

Why does a firm want to know YED?

There several purposes for the firm would o know YED, including the following:

1 See economic online.

2. Availability of substitutes:

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→ The degree of necessity of the good

A necessity like bread will be demanded in elastically with respect to price.

→ Whether the good is habit forming

Consumers are also relatively insensitive to changes in the price of habitually demanded products.

→ The proportion of consumer income which is spent on the good

The PED for a daily newspaper is likely to be much lower than that for a new car!

→ Whether consumers are loyal to the brand

Brand loyalty reduces sensitivity to price changes and reduces PED.

→ Life cycle of product

PED will vary according to where the product is in its life cycle. When new products are launched, there are often very few competitors and PED is relatively inelastic. As other firms launch similar products, the wider choice increases PED. Finally, as a product begins to decline in its lifecycle, consumers can become very responsive to price, hence discounting is extremely common.

The factors that influence the price elasticity of demand fall into two categories:

Income elasticity of demanded YED

which measures the responsiveness of the qua demanded to a change in consumer incomes. The form income elasticity of demand is given by:

income elasticity of demand = *percentage* change in quantity dem / *percentage* change in income

example

If the percentage change in the quantity demand greater than the percentage change in income, then dema said to be income elastic, or very responsive to chang demanders' incomes.

If the percentage change in the quantity demande less than the percentage change in income, then dema said to be income inelastic, or not very responsive to cha in demanders' incomes. Notice from the definition of inc elasticity that if the income elasticity of demand is pos the good must be a normal good, and **if the income elast of demand is negative, the good must be an inferior go**

Income elasticity of demand

Income elasticity of demand (YED) shows the ef of a change in income on quantity demanded

→ Normal goods

When the equation gives a positive result, the good *normal good*. A normal good is one where demand is dir proportional to income. For example, if, following increase in income from £40,000 to £50,000, an indiv consumer buys 40 DVD films per year, instead of 20, the coefficient is:

+ 100÷ 25=(+) 4.0

The *positive*
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the good responds
income. This indi
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→ Inferior go

When YED
For example, if,
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year instead of 2

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Influences on the Price Elasticity of Supply

Because a high PES is desirable, it may be necessary for firms to undertake actions that improve their speed of response to changes in market conditions. Examples of actions include:

1. Creating spare capacity
2. Using the latest technology
3. Keeping sufficient stocks
4. Developing better storage systems
5. Prolonging the shelf life of products
6. Developing better distribution systems
7. Providing training for workers
8. Having flexible workers who can do a range of jobs
9. Locating production near to the market
10. Allowing inward migration of labor if there is a labor shortage

*1. **Nature of commodity:***

Elasticity of demand of a commodity is influenced by its nature. A commodity for a person may be a necessity, comfort or a luxury. When a commodity is a necessity like food grains, vegetables, medicines, etc., its demand is generally inelastic as it is required for human survival and demand does not fluctuate much with change in price.

signi... (meaning they ... the supply curve affe... quantity.

A powerful general rule can be learned from example: if one curve (whether supply or demand) is inelastic, shifts in the complementary curve (whether demand or supply) affect price more than quantity; on the other hand, if one curve is elastic, shifts in the other curve affect quantity more than price.

Rationally speaking, the government often has to take this into consideration before making policy changes. For example, if the government's goal is to limit imports in order to encourage domestic industry, it must first consider whether its policy will have the desired effect. If demand for imports is inelastic, an increased tariff –custom duties– on imports will only result in increased prices without a significant drop in quantity of imports consumed, which does not benefit domestic producers and only results in a ... domestic consumers.

Factors affect the Price Elasticity of Demand.

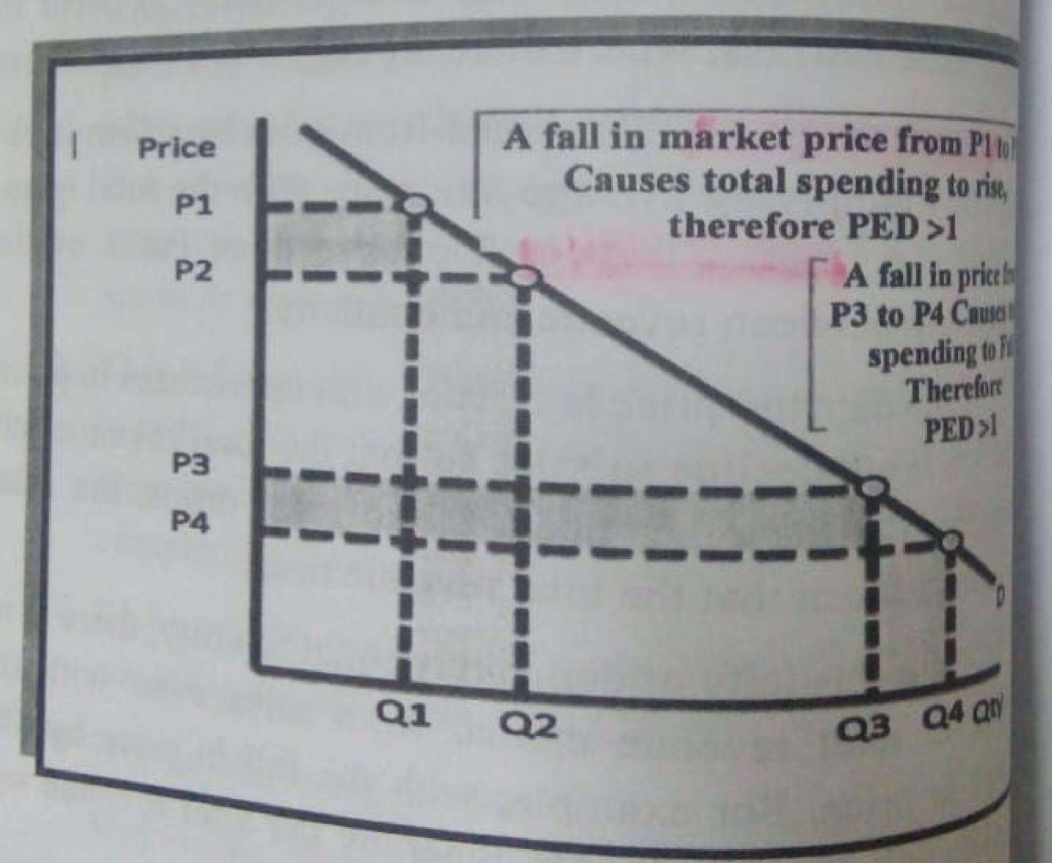
There are several reasons why consumers may respond elastically or in elastically to a price change, including:

The number and 'closeness' of substitutes

A unique and desirable product is likely to exhibit inelastic demand with respect to price.

VIP

	Price	Quantity Demanded	Total Rev... TR P*Q
Elastic	Increase	Decreased	Decreas...
	Decrease	Increased	Increas...
Inelastic	Increase	Decrease	Increas...
	Decrease	Increased	Decreas...
Unit elastic	Increase	Decrease	No chang...
	Decrease	Increased	No chang...



Price elasticity
will Vary

→ At high
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- Demand

In summary

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Price elasticity
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6. *Number of Uses:*

If the commodity under consideration has several ... then its demand will be elastic. When price of such commodity increases, then it is generally put to only ... urgent uses and, as a result, its demand falls. When the price fall, then it is used for satisfying even less urgent needs ... demand rises.

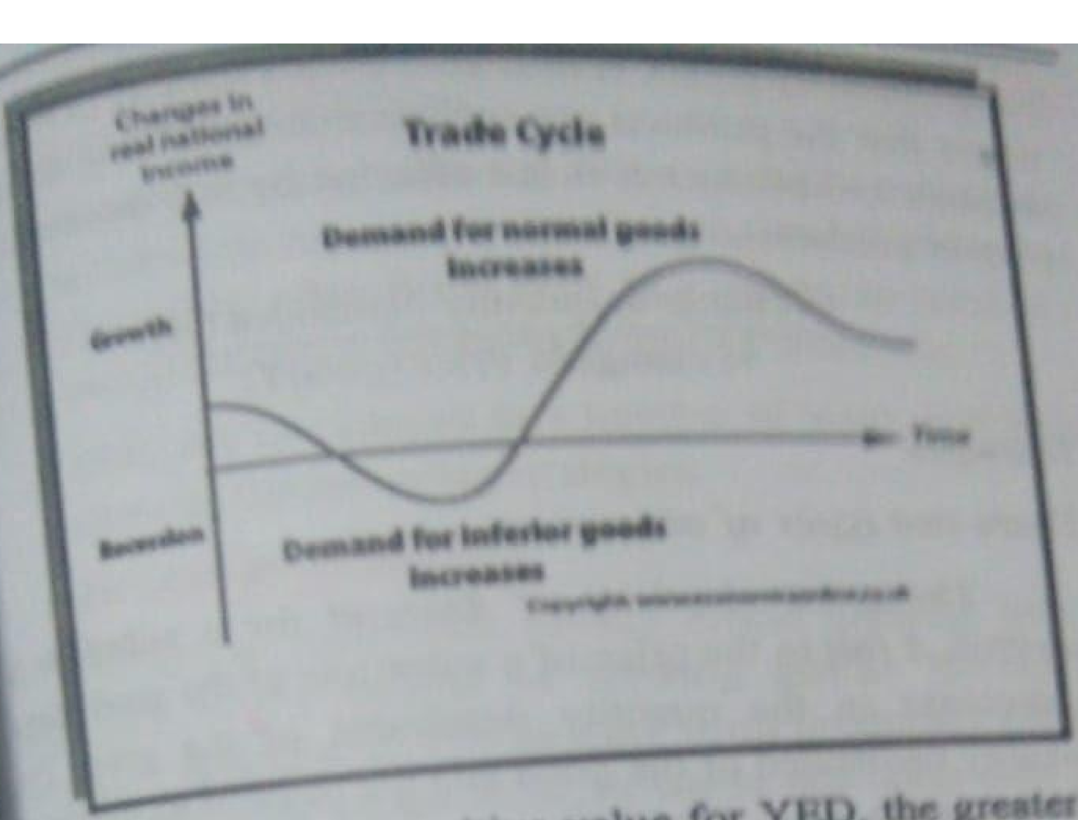
Advertisements

For example, electricity is a multiple-use commodity. Fall in its price will result in substantial increase in demand, particularly in those uses (like AC, Heat convector etc.), where it was not employed formerly due to its ... price. On the other hand, a commodity with no or ... alternative uses has less elastic demand.

7. *Share in Total Expenditure:*

Proportion of consumer's income that is spent on ... particular commodity also influences the elasticity of demand for it. Greater the proportion of income spent on ... commodity, more is the elasticity of demand for it and vice versa.

Demand for goods like salt, needle, soap, match box etc. tends to be inelastic as consumers spend a small proportion of their income on such goods. When prices of such goods change, consumers continue to purchase almost the same quantity of these goods ...



The higher the positive value for YED, the greater the effect of a change in national income on consumer demand.

The cross price elasticity of demand XED

Measures the responsiveness of the quantity demanded of one good, good X, to a change in the price of another good, good Y. Cross elasticity of demand is the ratio of percentage change in quantity demanded of a product X to percentage change in price of another product Y. It is used to measure how responsive the quantity demanded of one product is to a change in price of another product.

Cross elasticity of demand indicates whether any two products are substitute goods, complementary goods or independent goods. A positive cross elasticity of demand means that the products are substitute goods. A negative cross elasticity of demand means that the products are

measure how important its complementary products are to its own products.

2. This information allows the firm to develop strategies to reduce its exposure to the risks associated with price changes by other firms, such as a rise in the price of a complement or a fall in the price of a substitute.

3. Risks can be reduced in a number of ways, including adopting the following strategies:

→ **Horizontal integration**

Horizontal integration usually means merging with a rival, such as the merger of brewing giants. Horizontal integration occurs when two or more firms producing similar products merge with each other, or where one takes over the other.

→ **Vertical integration**

Vertical integration means merging with a complement producer, such as a record producer merging with or taking over a record store, or radio station.

→ **Alliances and collusion**

Joint alliances with competitors can also take place, such as Sony-Ericsson combining resources to create mobile phones. Collusion is also a possibility. For example, firms may enter into price fixing agreements so that they avoid having to fight a price war. This is more likely to occur in oligopolistic markets, where there are only a few competitors

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Total revenue (TR) earned from sales by a firm is obtained by multiplying average unit price with the total quantity sold, i.e., TR = P x Q. We have three cases of the relationship between revenue and elasticity.

If the demand price is elastic, with an increase in price, there is a large decline in sales so that the total revenue will decreases. On the other hand, if the price drops, the sales increase so much that the total revenue rises.

If the elasticity of demand is equal to unity, there is no change in total revenue earned from sales even with the change in price. For example, with the fall in price by 5%, the sales will increase by 5% whereby the total revenue will remain unchanged.

If the demand price is inelastic, the sales will fall with the increase in price but the total revenue will rise. On the other hand, with the fall in price, the sales will increase but the total revenue will fall.

→ Sales forecasting

A firm can forecast the impact of a change in inc on sales volume (Q), and sales revenue (P x Q). For exam a hypothetical car manufacturer has calculated that YED respect to its luxury car is (+) 3.8, and it has also underta research to discover that consumer incomes will rise by next year. It can now predict the impact of this change.

→ Pricing policy

السعر زاد ولا لا

Knowing YED helps the firm decide whether to r or lower price following a change in consumer incomes incomes are falling and YED is positive, a reduction in p might help compensate for the reduction in demand.

→ Diversification

Firms can diversify and offer a range of goods w different YEDs to spread the risks associated with change the level of national income. For example, a car manufact may produce cars with a range of YED values, so that s are stabilized as the economy grows and declines.

YED and the business cycle

Changes in real national income tend to be cycli The demand for normal goods increases when the econo is expanding, but decreases when the economy is contrac Conversely, the demand for inferior goods is cou cyclical.

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Growth

Recession

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